

entity carries on business as a retail dealer in liquors. Any such governmental entity that has properly registered as a wholesale dealer at its principal office, and that has properly registered once as a retail dealer in liquors or beer, is not required to register again at its retail stores by reason of the sale of distilled spirits, wines, or beer at any of those locations to dealers qualified to do business as a dealer within the jurisdiction of that governmental entity.

(26 U.S.C. 5121)

§ 31.44 Sales of denatured spirits or articles.

It is illegal to sell denatured spirits, or any article containing denatured spirits, for beverage purposes. Any person who sells denatured spirits, or any substance or preparation made with or containing denatured spirits, for use, or for sale for use, for beverage purposes, or who sells any such products under circumstances in which it might reasonably appear that it is the intention of the purchaser to procure the same for sale or use for beverage purposes, is subject to the registration and other requirements of this part.

(26 U.S.C. 5273)

§ 31.45 Sales of alcoholic compounds, preparations, or mixtures containing distilled spirits, wines, or beer.

(a) *General.* Compliance with the provisions of this part is required with respect to the sale, or offering for sale, of alcoholic compounds, preparations, or mixtures containing distilled spirits, wines, or beer, unless those compounds, preparations, or mixtures are unfit for use for beverage purposes and are sold solely for use for nonbeverage purposes.

(b) *Products unfit for beverage use.* Products described in § 19.5 of this chapter, for which manufacturers are exempt from qualification requirements, shall be deemed to be unfit for beverage purposes for the purposes of this part.

[T.D. TTB-79, 74 FR 37407, July 28, 2009, as amended by T.D. TTB-92, 76 FR 9172, Feb. 16, 2011]

§ 31.46 Sales by agencies and instrumentalities of the United States.

Unless specifically exempt by statute, any agency or instrumentality of the United States, including post exchanges, ship's stores, ship's service stores, and commissaries, or any canteen, club, mess, or similar organization operated under regulations of any such agency or instrumentality, that sells, or offers for sale, distilled spirits, wines, or beer must comply with the registration and other requirements of this part as a dealer in liquors or a dealer in beer, as the case may be.

(26 U.S.C. 5121, 5122)

§ 31.47 Warehouse receipts covering spirits.

The sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits. Accordingly, every person who sells, or offers for sale, warehouse receipts for distilled spirits held or stored in a distilled spirits plant, customs bonded warehouse, or elsewhere, is required to register and keep records as a wholesale dealer in liquors, or as a retail dealer in liquors, as the case may be, at the place where those warehouse receipts are sold, or offered for sale, unless the person is exempt from those requirements under subpart D of this part.

(26 U.S.C. 5121, 5122)

§ 31.48 Alcohol beverage producers, processors, and bonded warehousemen.

Brewers and proprietors of distilled spirits plants, bonded wine cellars, bonded wine warehouses, and taxpaid wine bottling houses who make sales, whether of their own alcohol beverage products or of such products produced by others, are not exempt from registration and recordkeeping as dealers under this part. However, the registration and recordkeeping requirements applicable to such persons are prescribed in parts 19 (Distilled Spirits Plants), 24 (Wine), and 25 (Beer) of this chapter.